



DEPARTMENT OF COMMERCE

International Trade Administration

[A-122-857]

Initiation and Preliminary Results of Changed Circumstances Review: Certain Softwood Lumber Products from Canada

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) is initiating a changed circumstances review (CCR) of the antidumping duty (AD) order on certain softwood lumber products (softwood lumber) from Canada and simultaneously issuing preliminary results finding CHAP Alliance, Inc. (CHAP) to be the successor-in-interest to L'Atelier de Readaption au Travail de Beauce Inc. (L'Atelier).

DATES: Applicable (Insert date of publication in the *Federal Register*.)

FOR FURTHER INFORMATION CONTACT: Maisha Cryor, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW., Washington, DC 20230; telephone: (202) 482-5831.

SUPPLEMENTARY INFORMATION:

Background

On January 3, 2018, Commerce published in the *Federal Register* an AD order on softwood lumber from Canada.¹ On May 5, 2021, Commerce received a request on behalf of CHAP for an expedited CCR to establish CHAP as the successor-in-interest to L'Atelier with respect to the *Order*.² On June 8, 2021, Commerce informed CHAP that it required additional

¹ See *Certain Softwood Lumber Products from Canada: Antidumping Duty Order and Partial Amended Final Determination*, 83 FR 350 (January 3, 2018) (*Order*).

² See CHAP's Letter, "Certain Softwood Lumber from Canada: L'Atelier de Réadaptation au Travail de Beauce Inc. Request for Changed Circumstances Reviews," dated May 5, 2021 (CCR Request).

information in order to determine whether to initiate the requested CCR.³ On June 24, 2021, CHAP provided the requested information.⁴

Scope of the *Order*

The merchandise covered by the *Order* is softwood lumber, siding, flooring and certain other coniferous wood (softwood lumber products). Softwood lumber product imports are generally entered under Chapter 44 of the Harmonized Tariff Schedule of the United States (HTSUS). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the *Order* is dispositive.⁵

Initiation

Pursuant to section 751(b)(1) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.216(d), Commerce will conduct a CCR upon receipt of information or a review request showing changed circumstances sufficient to warrant a review of an order. Among other things, Commerce has conducted CCRs to consider the applicability of cash deposit rates after there have been changes in the name or structure of a company, such as a merger or spinoff (successor-in-interest, or successorship, determinations).

We find the information provided is sufficient to warrant a CCR of the *Order*. Specifically, the information CHAP provided regarding L'Atelier's name change to CHAP demonstrates changed circumstances sufficient to warrant a CCR with respect to the *Order*.

Therefore, in accordance with section 751(b)(1) of the Act and 19 CFR 351.216(d), we are initiating a CCR to determine whether CHAP is the successor-in-interest to L'Atelier for purposes of the *Order*.

³ See Commerce's Letter, "Changed Circumstances Review of Certain Softwood Lumber Products from Canada: Supplemental Questionnaire," dated June 8, 2021.

⁴ See CHAP's Letter, "Certain Softwood Lumber from Canada: Supplemental Questionnaire Response," dated June 24, 2021.

⁵ For a complete description of the scope of the *Order*, see Memorandum, "Initiation and Preliminary Results of Changed Circumstances Review: Certain Softwood Lumber Products from Canada," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

In addition, Commerce's regulations (19 CFR 351.221(c)(3)(ii)), permit it to initiate a CCR and issue the preliminary results of that CCR simultaneously if it concludes that expedited action is warranted. We have on the record the information necessary to make a preliminary finding and, therefore, we find that expedited action is warranted.⁶ Consequently, we are combining the initiation of the CCR described above and our preliminary results, in accordance with 19 CFR 351.221(c)(3)(ii).

Preliminary Results

In determining whether one company is the successor to another for AD purposes, Commerce examines a number of factors including, but not limited to, changes in: (1) management; (2) production facilities; (3) suppliers; and (4) customer base.⁷ While no one, or several, of these factors will necessarily provide a dispositive indication of succession, Commerce will generally consider one company to be the successor to another company if its resulting operations are essentially the same as those of its predecessor.⁸ Thus, if the evidence demonstrates that, with respect to the production and sale of the subject merchandise, the company, in its current form, operates as essentially the same business entity as the prior company, Commerce will assign the new company the cash deposit rate of its predecessor.⁹

CHAP provided evidence that: (1) L'Atelier's name changed to CHAP in February 2021; and (2) there were no significant changes to management,¹⁰ production facilities,¹¹ suppliers, or customer base.¹² Based on the foregoing, which is explained in greater detail in the

⁶ See, e.g., *Notice of Initiation and Preliminary Results of Antidumping Duty Changed Circumstances Review: Certain Softwood Lumber Products from Canada*, 70 FR 50299 (August 26, 2005).

⁷ See *Initiation and Preliminary Results of Antidumping Duty Changed Circumstances Review: Multilayered Wood Flooring from the People's Republic of China*, 79 FR 48117, 48118 (August 15, 2014), unchanged in *Multilayered Wood Flooring from the People's Republic of China: Final Results of Changed Circumstances Review*, 79 FR 58740 (September 30, 2014).

⁸ *Id.*

⁹ See, e.g., *Certain Circular Welded Carbon Steel Pipes and Tubes from Taiwan: Initiation of Antidumping Duty Changed Circumstance Review*, 70 FR 17063, 17064 (April 4, 2005); and *Fresh and Chilled Atlantic Salmon from Norway: Final Results of Changed Circumstances Antidumping Administrative Review*, 64 FR 9979, 9980 (March 1, 1999).

¹⁰ See CCR Request at Exhibit 4, Attachment A.

¹¹ *Id.* at Exhibit 4, Attachment B.

¹² *Id.* at Exhibit 4, Attachments C and D.

Preliminary Decision Memorandum, we preliminarily determine that CHAP is the successor-in-interest to L'Atelier for purposes of the *Order*.

Should our final results of review remain the same as these preliminary results of review, effective the date of publication of the final results of review, we will instruct U.S. Customs and Border Protection to apply L'Atelier's cash deposit rate to CHAP.

Public Comment

Interested parties may submit case briefs not later than 14 days after the date of publication of this notice.¹³ Rebuttal briefs, which must be limited to issues raised in case briefs, may be filed not later than seven days after the due date for case briefs.¹⁴ Parties who submit case briefs or rebuttal briefs in this CCR are requested to submit with each argument: (1) a statement of the issues; and (2) a brief summary of the arguments with electronic versions included.

Any interested party may request a hearing within 14 days of publication of this notice.¹⁵ Hearing requests should contain the following information: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations at the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined. Parties should confirm the date and the time of the hearing two days before the scheduled date.

All submissions, with limited exceptions, must be filed electronically using Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS).¹⁶ An electronically filed document must be received successfully in its entirety by 5 p.m. Eastern Time (ET) on the due date.

¹³ Commerce is exercising its discretion under 19 CFR 351.309(c)(1)(ii) to alter the time limit for the filing of case briefs.

¹⁴ Commerce is exercising its discretion under 19 CFR 351.309(d)(1) to alter the time limit for the filing of rebuttal briefs.

¹⁵ Commerce is exercising its discretion under 19 CFR 351.310(c) to alter the time limit for requesting a hearing.

¹⁶ ACCESS is available to registered users at <https://access.trade.gov>; see also *Temporary Rule Modifying AD/CVD Service Requirements Due To Covid-19; Extension of Effective Period*, 85 FR 41363, (July 10, 2020).

Consistent with 19 CFR 351.216(e), we intend to issue the final results of this CCR no later than 270 days after the date on which these reviews were initiated or within 45 days if all parties agree to the outcome of the review.

We are issuing and publishing this initiation and preliminary results notice in accordance with sections 751(b)(1) and 777(i)(1) of the Act and 19 CFR 351.216 and 351.221(c)(3).

Dated: July 6, 2021.

Ryan Majerus,
Deputy Assistant Secretary
for Policy and Negotiations.

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